

Message Text

LIMITED OFFICIAL USE

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11

ACTION XMB-01

INFO OCT-01 EUR-10 ISO-00 COME-00 AID-05 CIAE-00 EB-03

FRB-01 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-02 SP-02

CIEP-01 LAB-01 SIL-01 OMB-01 PA-01 PRS-01 USIA-04

DRC-01 /047 W

----- 035839

R 080732Z OCT 74

FM AMEMBASSY WARSAW

TO SECSTATE WASHDC 1600

INFO AMEMBASSY VIENNA

AMEMBASSY OTTAWA

AMEMBASSY MOSCOW

AMCONSUL POZNAN

LIMITED OFFICIAL USE WARSAW 6103

PASS COMMERCE FOR BEWT/LOTARSKI

VIENNA FOR EXIM VP DIETZ

E.O. 11652: N/A

TAG: AFIN, PL

SUBJECT: FINANCING OF POLISH COPPER PROJECT

REF: BOUTIN/BAK MEMCOM OF SEPT 16(NOTAL)

1. BEGIN UNCLASSIFIED: POLISH PRESS ANNOUNCED ON OCT 4 THAT A CONSORTIUM OF AMERICAN AND CANADIAN BANKS HAVE CONCLUDED AN AGREEMENT WITH THE POLISH ASSOCIATION OF NONFERROUS METALS MINING AND METALLURGY, AND THE BANK OF HANDLOWY (POLANS FOREIGN-TRADE BANK) ON METHODS AND MEANS OF PARTIALLY FINANCING THE FURTHER DEVELOPMENT OF THE POLISH COPPER INDUSTRY. THE CONSORTIUM, LED BY MORGAN GUARANTY TRUST, INCLUDES THE FOLLOWING BANKS: BANK OF AMERICA, NATIONAL TRUST AND LIMITED OFFICIAL USE

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SAVINGS ASSOCIATION, BANK OF MONTREAL, CITICORP

INTERNATIONAL BANK LIMITED, ROYAL BANK OF CANADA, AND
OTHERS. END UNCLASSIFIED.

2. BEGIN LIMITED OFFICIAL USE. OFFICIALS AT THE
BANK HANDLOWY AND AT THE MINISTRY OF HEAVY INDUSTRY HAVE
CONFIRMED TO US THAT THE AGREEMENT ANNOUNCED IN THE PRESS
WAS INDEED A LOAN AGREEMENT, WITH THE INDUSTRIAL
ASSOCIATION SIGNING AS BORROWER AND THE BANK AS QUARANTOR.
THE BANK OFFICIAL CONFIRMED AS WELL THAT THIS AGREEMENT
IS THE FIRST FOREIGN LOAN TO BE EXTENDED TO AN INSTITUTION
OTHER THAN BANK HANDLOWY, AND HE IMPLIED THAT THE PURPOSE
OF THE ARRANGEMENT WAS AVOIDANCE OF THE LEGAL LENDING
LIMITS IMPOSED ON US BANKS. HE ADDED THAT SIMILAR AGREE-
MENTS MAY BE SIGNED IN THE FUTURE, SAYING THAT THIS
PROCEDURE "OPENS A NEW GATE" FOR POLISH BORROWERS. THE
MINISTRY OFFICIAL TOLD US THAT THE AMOUNT OF THE LOAN IS
\$100 MILLION, DESIGNATED FOR PURCHASES OF COPPER MINING
AND SMELTING EQUIPMENT. NEITHER OFFICIAL WAS WILLING TO
TELL US THE TERMS OF REPAYMENT. END LIMITED OFFICIAL USE.
DAVIS

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
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Draft Date: 08 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
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Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
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Review Event:
Review Exemptions: n/a
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Review Markings:

Declassified/Released
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30 JUN 2005

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TAGS: AFIN, PL
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005